Form 3160-3 (August, 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

UTU-4481

	Expires: July 31, 20
5.	Lease Serial No.

APPLICATION FOR PE	RMIT TO DI	RILL OR REENTER		6. If Indian, Allottee or T	Tribe Name
1a. Type of Work: X DRILL 1b. Type of Well: Oil Well X Gas W		ENTER Single Zone X Multiple		7. If Unit or CA Agreemed ISLAND UNIT 8. Lease Name and Well	UTU063026X No.
2. Name of Operator		Jonigie Zone [21] Wattiple		ISLAND UNIT	NO. 93
-	RO COMPAN	IY		9. API Well No. 43-0 PENDIN	147-40449 1G
3a. Address P.O. BOX 458, ROCK SPRINGS, WY		Phone No. (include area code) 307 922-5600		0. Field and Rool, or Exp Natural Buffs ISLAND, WA	oloratory SATCH
4. Location of well (Report location clearly At surface 1237' FSL 2362' FWL At proposed prod. zone 39.97278	SE SW Lat.	e with any State requirements. 2 94 4 39.97275 Long. 109.73	´	1. Sec.,T.,R.,M.,or Blk.a 1 T 10S 1	nd Survey or Area R 19E S.L.B.&M
14. Distance in miles and direction from the r			1	2. County or Parish	13. State
APPROXIMATELY 32 MILES FROM VER	NAL, UTAH			UINTAH	UTAH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any)	1237'	16. No. of acres in lease 1,282.52	17. Spac	ing Unit dedicated to this	well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	1100'	19. Proposed Depth 8,170'		I/ BIA Bond No. on file	
21. Elevations (Show whether DF. RT, GR, e	tc.)	22. Approximate date work			
4933'	ungraded	January 31, 2009)	25 da	rys
		24. Attachments			
The following, completed in accordance with	he requirements	of Onshore Oil and Gas Order	No. 1 shal	l be attached to this form	:
 Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on SUPO shall be filed with the appropriate I 	National Forest Sy	item 20 above). stem Lan 5. Operator certific	ation.	ons unless covered by existing or plans as	

25. Signature

Name (Printed/ Typed)

G. T. NIMMO

Date

OPERATIONS MANAGER

Approved By (Signature)

Name (Printed/ Typed)

Date

Office Name (Printed/ Typed)

Date

[Z-ZZ-OS]

authorized officer.

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

<u> HECEIVED</u>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

VW51

T10S, R19E, S.L.B.&M. S89'58'E - 2663.10' (G.L.O.) N89°56'E - 2653.20' (G.L.O.) (c.r.o.) (G.L.O.) LOT 4 LOT 3 LOT 2 LOT 1 2662.44 2692.14' N00.28'W 1956 Brass Cap, 1928 Brass Cap, 0.4' High, Pile 0.5' High, Pile of Stones of Stones 2362 ISLAND UNIT #93 Elev. Ungraded Ground = 4933' VOO:30'22"W 1956 Brass Cap, 1928 Brass Cap, 0.4' High, Pile 0.8' High, Pile of Stones of Stones N89°38'18"E - 2665.23' (Meas.) N89'39'07"E - 2665.50' (Meas.) 1956 Brass Cap, 1.1' High, Pile of Stones, Steel BASIS OF BEARINGS Post BASIS OF BEARINGS IS A G.P.S. OBSERVATION. LEGEND:

90° SYMBOL

PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39.58'21.90'' (39.972750)

LONGITUDE = 109.43'57.20" (109.732556)

(NAD 27)

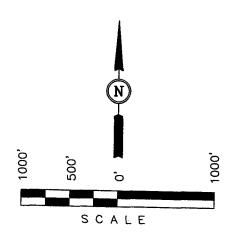
LATITUDE = 39.58'22.03'' (39.972786) LONGITUDE = 109'43'54.70" (109.731861)

WEXPRO COMPANY

Well location, ISLAND UNIT #93, located as shown in the SE 1/4 SW 1/4 of Section 1, T10S, R19E, S.L.B.&M., Uintah County Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M., TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE RIAT WAS PREADED FROM FIELD NOTES OF ACTUAL SURVEYS HODE AND CORRECT TO THE SAME AND THOSE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BE

UINTAH ENGINEERING 85 SOUTH 200 EAST -VERNAL, UTAH 84078

(435) 789-1017 SCALE DATE SURVEYED: DATE DRAWN: 1" = 1000'04-3-08 04-15-08 PARTY REFERENCES J.W. C.G. L.K. G.L.O. PLAT WEATHER FILE COOL WEXPRO COMPANY

QUESTR

December 10, 2008

980cpro Company 180 East 100 South RO Rox 45501 Sell Lake City, UT 84145-9501 Tet 801 324 2801 + Fax 801 324 2937

Ms. Diane Mason State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801

Re:

Request for Exception Location: Island Unit #93 Well

SURFACE: 1237' FSL, 2362' FWL, SE'4SW'4, Sec. 1, T10S, R19E, SLM

BOTTOM HOLE: SAME

Lease No. U-4481

Dear Ms. Mason:

In accordance with R649-3-3, Wexpro Company ("Wexpro") respectfully requests administrative approval for an exception location for the Island Unit Well #93. As reflected on the plats included with the previously-filed Application for Permit to Drill ("APD"), the captioned well is to be drilled from a surface location in the SE½SW½ of Section 1 to a proposed bottom hole location of 1237' FSL and 2362' FWL in the SE½SW½ of Section 1. All of Section 1 is committed to the Island Unit which is a Federal Exploratory Unit with Wexpro currently serving as the Unit Operator for the Unit.

Ownership within 460' of the entire length of the proposed wellbore is owned 100% by Wexpro and its affiliate Questar Exploration and Production Company, thereby not requiring the approval of other parties for our intended operation.

We respectfully request the Division of Oil, Gas and Mining approve the APD as described in this letter. Should you have any questions, please call me at 801-324-5938.

Sincerely,

Wexpro Company

Jonathan M. Duke

Coordinator: Contracts and Land

cc:

Bureau of Land Management

Dee Findlay - Wexpro Company

Frank Nielsen - Questar Exploration and Production Company

Drilling Plan Wexpro Company Island Unit Well No. 93 Uintah County, Utah

SURFACE FORMATION, ESTIMATED TOPS AND WATER, OIL, GAS OR MINERAL BEARING FORMATIONS:

Formation	Depth - MD	Remarks
Uinta	Surface	
Green River	1,700'	
Bird's Nest	1,800'	
Wasatch Tongue	4,407'	
Green River Tongue	4,758'	
Wasatch	4,907'	Gas, Major Objective
Lower Wasatch	7,008'	Gas, Major Objective
Mesaverde	8,064'	
Total Depth	8,170'	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected.

PRESSURE CONTROL EQUIPMENT: (See attached diagram) Operator's minimum specifications for pressure control equipment require an 11-inch 3000 psi double gate hydraulically operated blowout preventer and an 11-inch 3000 psi annular preventer. BOP equipment will be tested to its rated working pressure or 70-percent of the internal yield of the surface casing. The annular preventer will be tested at 50-percent of its rated working pressure.

NOTE: The surface casing will be pressure tested to a minimum of 1500 psi. BOP's will be checked daily as to mechanical operating condition and will be tested by rig equipment after each string of casing is run. All ram type preventers will have hand wheels which will be operative and accessible at the time the preventers are installed.

AUXILIARY EQUIPMENT:

Manually operated kelly cock No floats at bit

Monitoring of mud system will be with PVT system

Full opening floor valves in the full open position, capable of fitting all drill stem connections manually operated

Formation integrity test will be done 10' below surface casing shoe to 10.0 ppg

CASING PROGRAM:

Hole Size	Size	Тор	Bottom	Weight	Grade	Thread	Condition
24"	20"	sfc	60'				Steel Conductor
12-1/4"	9-5/8"	sfc	90'	47	N80	LTC	· New
12-1/4"	9-5/8"	90'	500'	36	J55	LTC	New
7-7/8"	4-1/2"	sfc	8,170'	13.5	P110	LTC	New

Casing	Strengths:			Collapse	Burst	Tensile (minimum)
9-5/8"	47 lb.	N80	LTC	4,760 psi	6,870 psi	905,000 lb.
9-5/8"	36 lb.	J55	LTC	2,020 psi	3,520 psi	453,000 lb.
4-1/2"	13.5 lb.	P110	LTC	10,680 psi	12,410 psi	338,000 lb

Wexpro requests a variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III requirements, subsection E - Special Drilling Operations for the specific operation of drill and setting surface casing with a truck mounted air rig.

The variance to Onshore #2 is requested because surface casing depth for this well is 500' and high pressure is not expected.

<u>A properly lubricated and maintained rotating head</u>: A diverter bowl will be utilized in place of a rotating head. The diverter bowl will force the air and cutting returns to the reserve pit as it is used to drill the surface casing.

Blooie line discharge will be 100 feet from the well bore and securely anchored: The blooie line discharge for this operation will be located 50 to 70 feet from the wellhead.

Automatic ignitor or continuous pilot light on the blooie line: A diffuser will be used rather than an automatic pilot/ignitor. Water is injected into the compressed air and eliminates the need for the pilot light and the need for dust suppression equipment.

Compressor located in the direction from the blooie line is a minimum of 100' from the well bore: Truck mounted air compressors will be located within 50 feet on the opposite side of the wellhead from the blooie line and equipped with a (1) emergency kill switch on the driller's console, (2) pressure relief valve on the compressor and (3) spark arrestors on the motors.

CEMENTING PROGRAMS:

9-5/8-inch Surface Casing: 333 cu.ft. of Class G with 2% CaCl₂ (1/4% celloflake will only be used if lost circulation is encountered).

4-1/2-inch Production Casing:

Lead: 1378 cu. ft. Light cement with retarder, reducer and fluid loss

additives, if needed.

Tail: 971.1 cu. ft. Light cement with retarder, reducer, and fluid loss

additives, if needed.

MUD PROGRAM:

Surface to 500 feet: Surface to be drilled with a dry hole rig.

500 feet to TD: Fresh water with gels and polymer sweeps, as necessary

from 500 feet to Total Depth. Mud up, mud weight of 9.0

- 10.0 ppg, and maintain this to total depth.

Sufficient mud materials to maintain mud properties, control lost circulation and to contain blowout will be available at the wellsite.

No chrome constituent additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aguifers.

LOGGING:

DIL-GR-SFL

- Total Depth to surface casing

MICRO-LOG

- Total Depth to surface casing

FDC/CNL/GR/CAL

- Total Depth to surface casing

BORE HOLE PROFILE LOG- Total Depth to surface casing

TESTING: None

CORING: None

ABNORMAL PRESSURE AND TEMPERATURE: A BHP of 2770 is anticipated. A BHT of

200 degrees F

ANTICIPATED STARTING DATE: January 31, 2009

DURATION OF OPERATION: 30 days

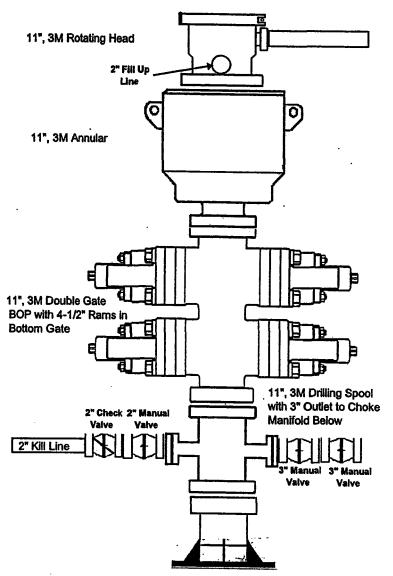
ISLAND UNIT WELL NO. 93 - CEMENT DESIGN

SURFACE CASING:									
CASING: ANNULUS: EXCESS: CEMENT YIELD:	1: C	2-1/4" LASS	36#, K (Guag "G" N	ge Hole)		0.4340 cu. 0.3132 cu. 100% 1.15 cu.	ft./lin.f ft/sacl	ft K	15.2 ppg
TOTAL DEPTH TOP OF TAIL TOP OF LEAD		AJL				1.15 cu. 500 Fee 0 Fee	et et (Surface Surface	
LEAD SLURRY					CU.FT		,		
ANN	0 Т	0	0	0.3132	0.00				
ANN EXCESS				100%	0.00				
					0.00		0 :	SACKS	0 CU.FT.
TAIL SLURRY	 			, , , , , , , , , , , , , , , , , , , 	CU.FT			. ;	
CSG		0	455	0.4340	19.53	_			
ANN	500 T	0	0	0.3132	156.6	_			
ANN EXCESS				100%	156.6 332.73 DISPLACE	MENT	289 3 35.2 I	SACKS BBLS	333 CU.FT.

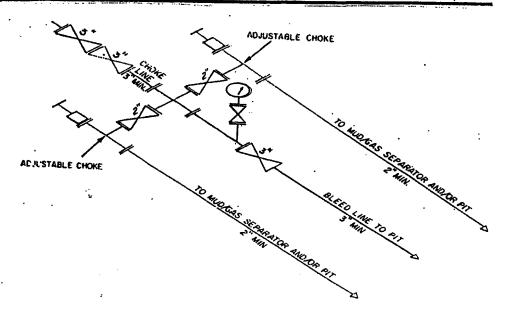
PRODU	ICTION CASIN	G:				, , , , , , , , , , , , , , , , , , , ,				
	CASING:			", 13.5#,				cu.ft./lin.ft	_	
	ANNULUS:		8-1/8	"" (Fron	n Carbide	Lag)		cu.ft./lin.ft	-	
	EXCESS: CEMENT YIELD:				LEAD			cu.ft/sack	_11.3 ppg	
	TOTAL DEPTH				TAIL		8,170	cu.ft/sack Feet-TVD	_15.2 ppg -	
	TOP OF TAIL TOP OF LEAD						4,800	Feet (Top of Was	satch Tongue)	
LEAD SLU						CU.FT				
	ANN	4800	то	0	0.2496	1198.08				
	ANN EXCESS				15%	179.71				
		-				1377.79		487 SACKS	1378	U.FT.
TAIL SLUR	RY	· · · · · · · · · · · · · · · · · · ·				CU.FT				
	CSG	8,170	TO	8,125	0.0838	3.771	***************************************			
	ANN	8,170	TO	4,800	0.2496	841.152				
	ANN EXCESS				15%	126.17 971.10		765 SACKS	971.1	HET
						DISPLACE	EMENT	121.3 BBLS	311.1 0	. J.F I

QUESTAK WEXPKU3,000 psi BOP ■

Minimum Requirements



3M CHOKE MANIFOLD EQUIPMENT — CONFIGI IRATION MAY VARY
5812 Federal Register / Vol. 53, No. 223 / Friday, November 18, 1988 / Rules and Regulations



Surface Use and Operations Wexpro Company Island Unit Well No. 93 Uintah County, Utah

1. Existing Road:

- A. <u>Proposed Well Site as Staked</u>: Refer to well location plat and area map.
- B. <u>Proposed Access Route</u>: Refer to general area map. All access roads are within lease boundaries.
- C. <u>Plans for Improvement and/or Maintenance</u>: All existing roads utilized will be maintained in their present condition and no improvements will be made.

2. Planned Access Roads:

- A. The proposed approximately 2331 feet of newly constructed road will necessitate a 30-foot wide right-of-way (maximum disturbance).
- B. Maximum grade: Will not exceed 10 percent.
- C. Turnouts: Water turnouts will be constructed as required to divert runoff water from the road ditch in such a manner as to not cause erosion.
- D. Location (centerline): Access road has been staked and flagged. Surface disturbance and vehicular travel will be limited to the approved access route, additional area needed will be approved in advance.
- E. Surface materials: Surface materials will be obtained from cuts along the access road and location. Spot surfacing may be required to maintain the running surface.
- F. Any topsoil (approximately 6-inches) removed in conjunction with road construction will be spread in the borrow ditches or windrowed to the side. Borrow areas will be seeded as discussed in reclamation procedures.
- 3. <u>Location of Existing Wells</u>: Refer to area map for the location of existing wells within a one-mile radius.
- 4. <u>Location of Existing and/or Proposed Facilities</u>: Refer to area maps. Facilities will be installed as detailed on the attached diagram.

All above ground structures not subject to safety requirements will be painted to blend with the natural colors of the landscape. The color chosen is Covert Green. All facilities will be painted as weather permits, but no later than one year after well is turned on for initial production.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 110% of the largest storage tank.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from Authorized Officer.

Pipeline

The proposed pipeline will be constructed and operated by Questar Gas Management Company. The pipeline will be approximately 2,108' in length. The proposed surface pipeline will be 3.5 O.D., Grade B or X-42 with a 0.188-inch wall thickness. The width of the right-of-way requested is 50 feet for construction and will revert to 30 feet for operation and maintenance purposes. The pipeline will be either brown or black in color.

The maximum operating pressure that the natural gas pipeline is designed for is 1170 psig. Associated facilities include above ground valves and piping at the lateral junctions

- 5. <u>Location and Type of Water Supply</u>: Water will be hauled by tank trucks from the Ouray Brine water well located in Section 9-T8S-R20E, Water Use Claim #43-10610.
- 6. <u>Source of Construction Materials</u>: All materials will be derived from cuts at the location and along the access road. Construction material will be located on lease.
- 7. Methods for Handling Water Disposal: Cuttings and drilling fluids will be placed in a lined mud pit which will be constructed with at least one half of its holding capacity below ground level. The mud pit will be fenced on three sides with a sheep-tight fence of woven wire prior to the onset of drilling. Immediately upon completion of drilling, the fourth side will be fenced and the liquids allowed to evaporate. The fence will be maintained until restoration. Any produced liquids will be contained in test tanks and hauled out by tank trucks. Garbage and other waste materials will be placed in a trash cage, the contents of which will be disposed of in the nearest legal landfill. Portable sewage facilities will be utilized for the disposal of human waste.

Produced waste water will be confined to a lined pit for a period not to exceed 90 days after initial production. Produced water will be confined to a 400 barrel tank on location and application is made at this time for approval of disposal of, the excess water produced, to be hauled to one of the following State of Utah approved disposal sites: RN Industries Inc, Sec 4-2S-2W, Bluebell; LaPoint Recycle & Storage, Sec 12-5S-19E, LaPoint; or to Dalbo, Inc, Sec 2-6S-20E, Vernal. All excess produced water will be hauled by tank truck over Unit, Tribal, County and State roads.

- 8. <u>Ancillary Facilities</u>: Camp facilities will not be required.
- 9. <u>Wellsite Layout</u>: Refer to drawing.
- 10. <u>Plans for Restoration of the Surface</u>: During construction, all woody vegetation and the top six-inches of topsoil material will be removed from the pad and stockpiled separately. All pits will remain fenced until cleanup begins. Overhead flagging will be installed if oil is in the mud pit.

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production. The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit will be completely dry and all cans, barrels, pipe, etc. will be removed. All disturbed areas will be recontoured to the approximate natural contours to the satisfaction of the Authorized Officer.

The stockpiled topsoil will be evenly distributed over the disturbed areas. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. Reseeding will be done in the fall before ground frost.

A seed drill equipped with a regulator will be required. Seed will be drilled 1/4-1/2 inch deep on the contour using the following seed mixture specified by the Bureau of Land Management.

Species	lbs. PLS/acre
Shadscale	3 lbs PLS/acre
Gardner's Saltbush	3 lbs PLS/acre
Indian Rice Grass	3 lbs PLS/acre
Blue Bunchgrass	3 lbs PLS/acre

Where drilling is not possible a broadcast/rake method will be used doubling the seed mixture.

- 11. <u>Surface and Mineral Ownership</u>: Surface ownership along the access road is and wellsite is Federal. Mineral ownership is Federal.
- 12. <u>Other Information</u>: Anna Figueroa of the Bureau of Land Management, Vernal Field Office in Vernal, Utah will be notified at least 72-hours prior to commencement of <u>both</u> construction and reclamation operations.

A Class III Cultural Resource Inventory and Paleontological report has been completed and forwarded to the Bureau of Land Management.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. <u>Lessee's or Operators Representative and Certification</u>:

G. T. Nimmo, Operations Manager, P. O. Box 458, Rock Springs, Wyoming 82902, telephone number (307) 382-9791.

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which currently exist, that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Wexpro Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that Wexpro Company is considered to be the operator of Well No. 93; SE ¼, SW ¼, Section 1, Township 10S Range 19E; Lease U-4481, Uintah County; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by BLM Bond ESB000024, Nationwide Bond No. 965002976

Name

Date: ____//2408__

G. T. Nimmo, Operations Manager

WEXPRO COMPANY

ISLAND UNIT #93

LOCATED IN UINTAH COUNTY, UTAH SECTION 1, T10S, R19E, S.L.B.&M.

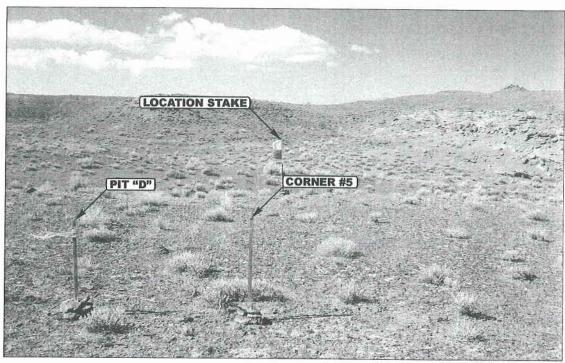


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

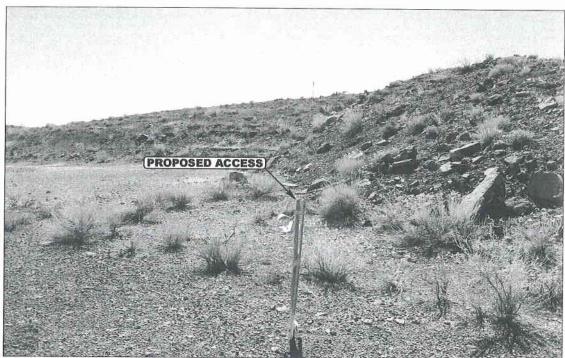


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



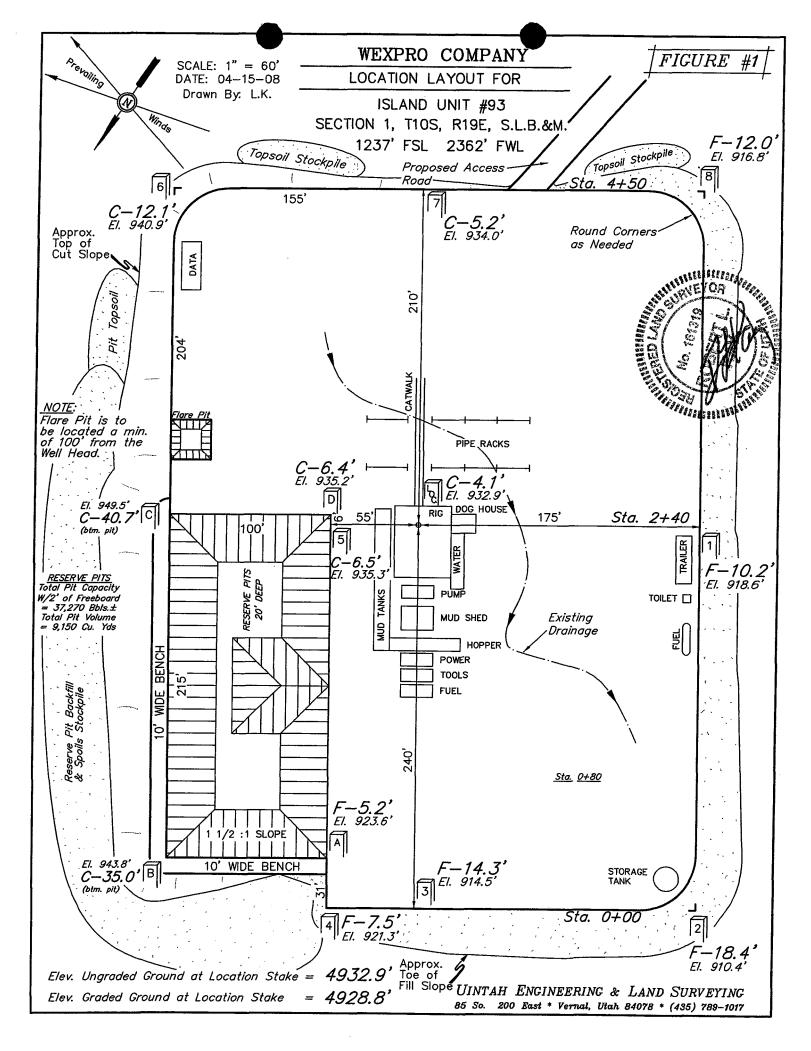
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

MONTH DAY YEAR

РНОТО

TAKEN BY: J.W. | DRAWN BY: Z.L. | REVISED: 00-00-00



\$ X-Section H Scale 1" = 100'

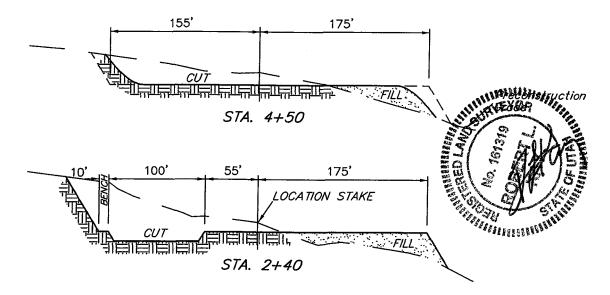
> DATE: 04-15-08 Drawn By: L.K.

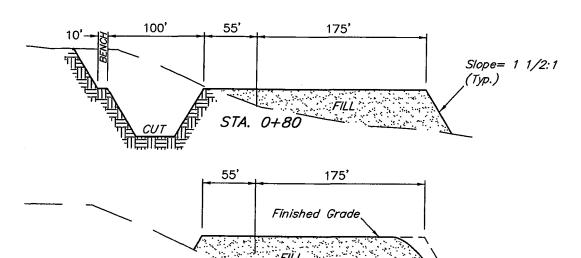
WEXPRO COMPANY

TYPICAL CROSS SECTIONS FOR

ISLAND UNIT #93 SECTION 1, T10S, R19E, S.L.B.&M. 1237' FSL 2362' FWL

FIGURE #2





STA. 0+00

NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ±4.175 ACRES

ACCESS ROAD DISTURBANCE = ±1.605 ACRES

* NOTE: FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping

Remaining Location

= 3,560 Cu. Yds.

= 33,340 Cu. Yds.

TOTAL CUT

= 36,900 CU.YDS.

FILL

= 28,760 CU.YDS.

EXCESS MATERIAL

= 8,140 Cu. Yds.

Topsoil & Pit Backfill

= 8,140 Cu. Yds.

(1/2 Pit Vol.)

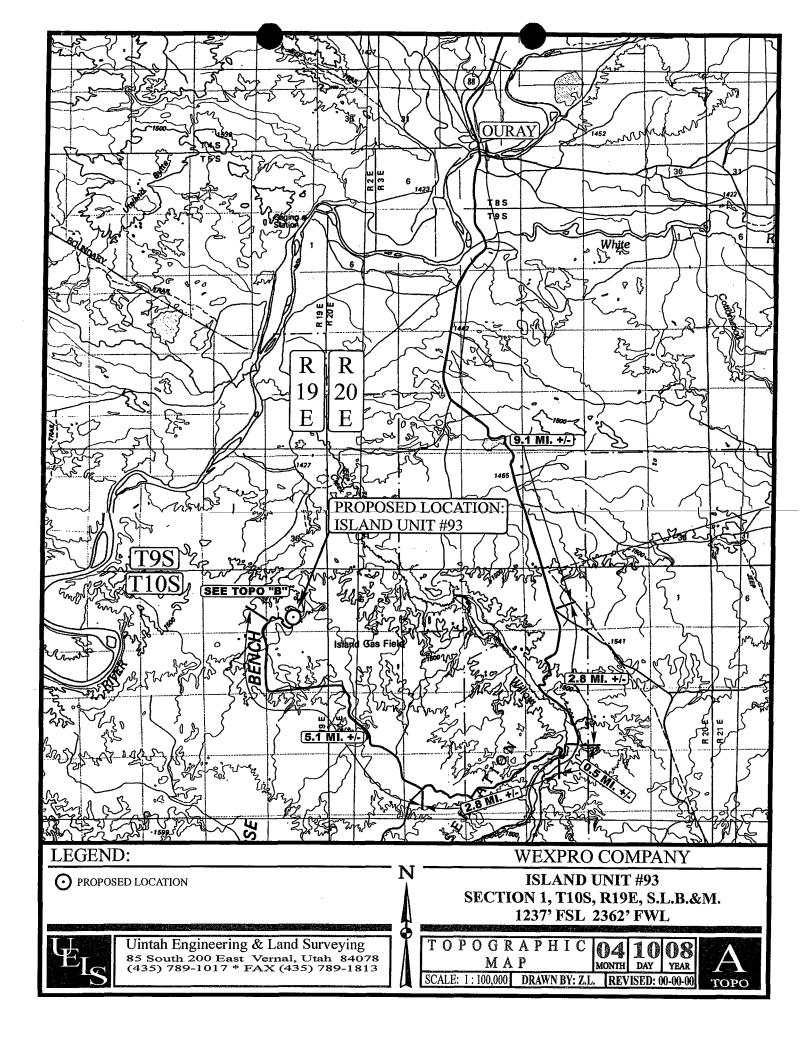
EXCESS UNBALANCE

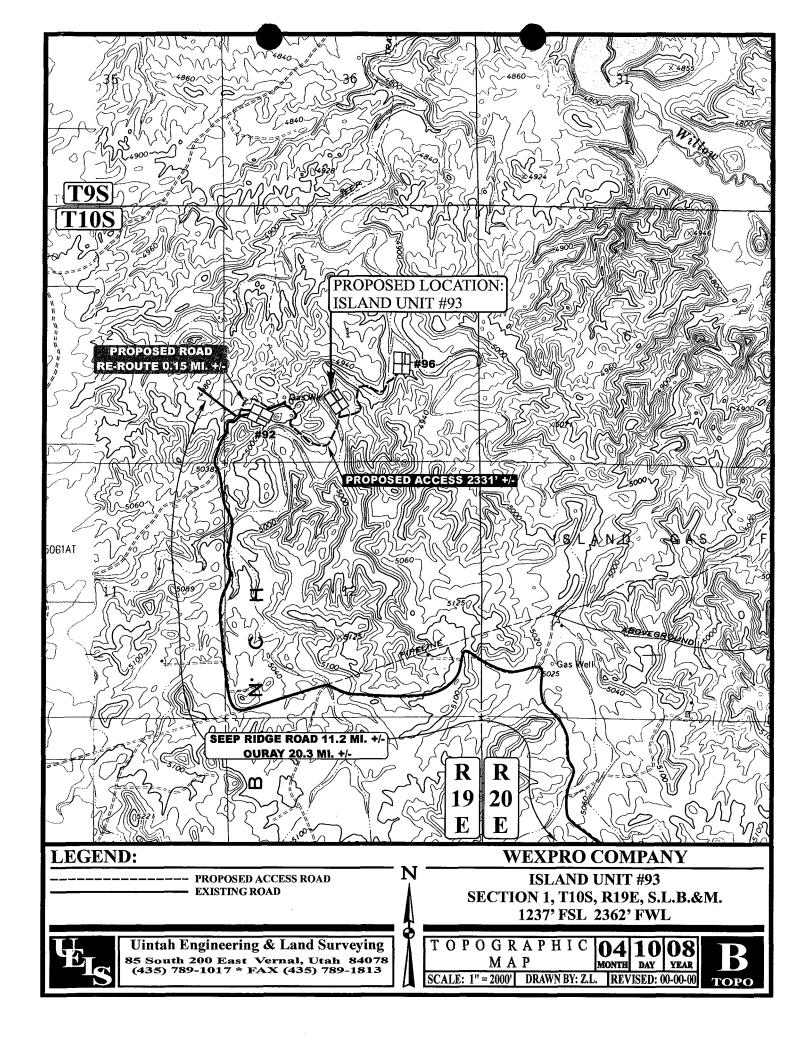
O Cu. Yds.

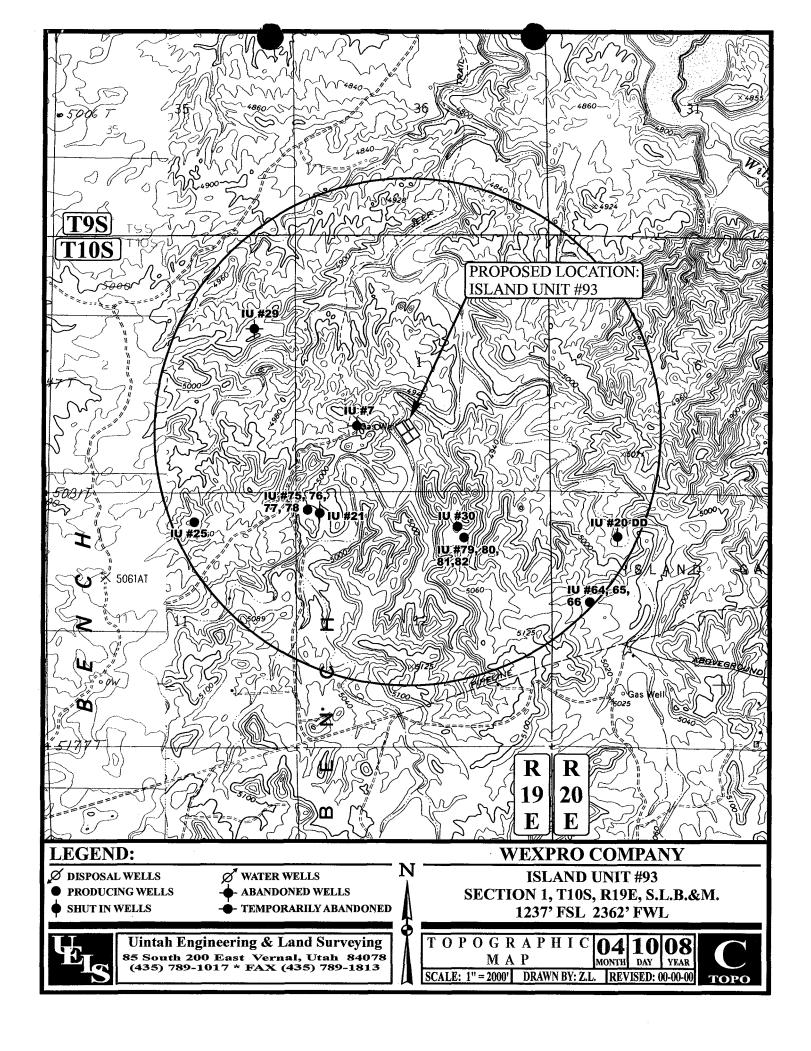
(After Interim Rehabilitation)

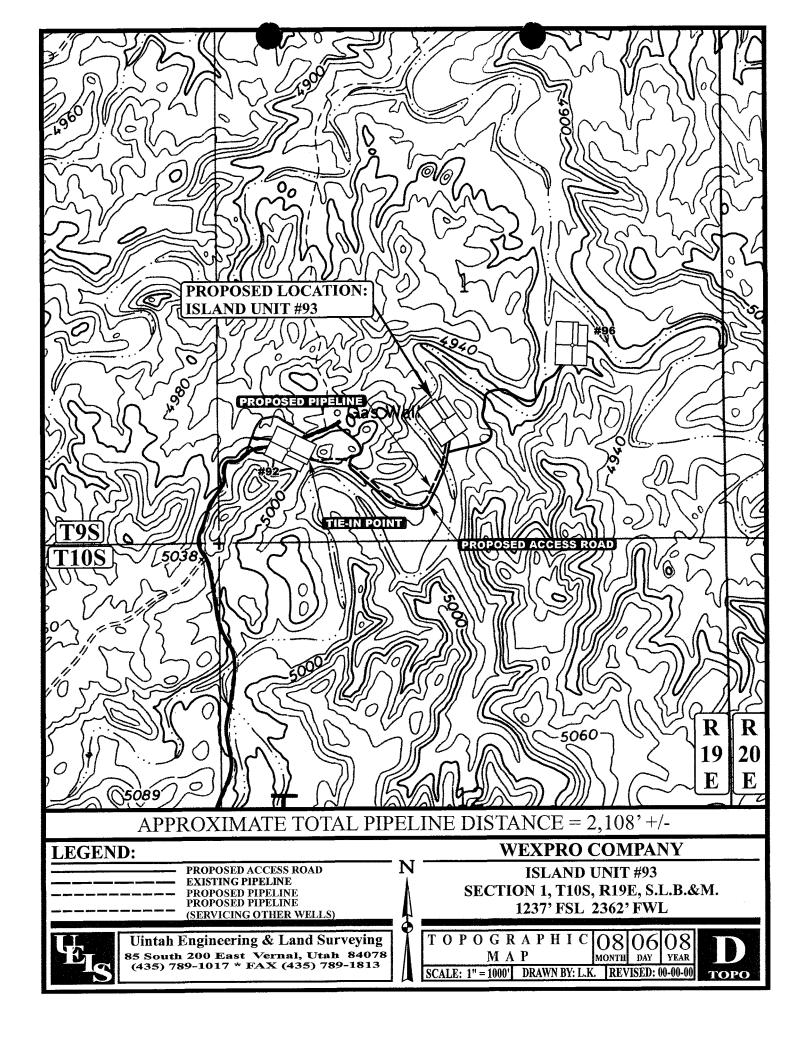
 $TOTAL = \pm 5.780 ACRES$

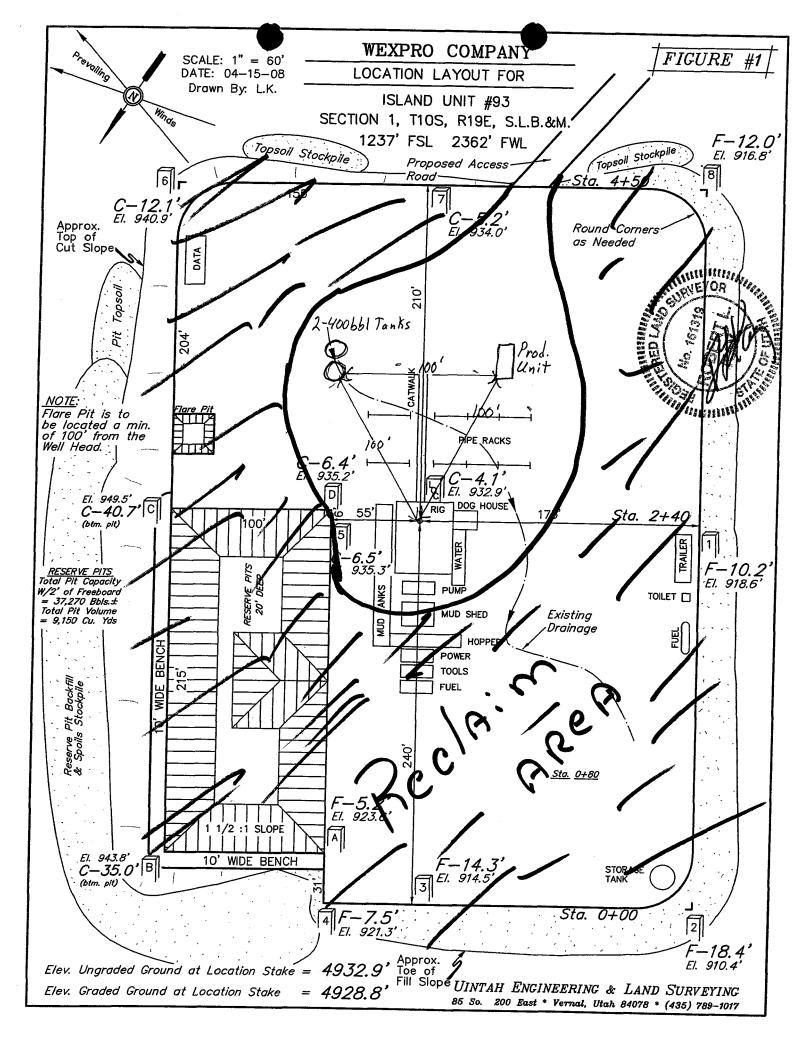
UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



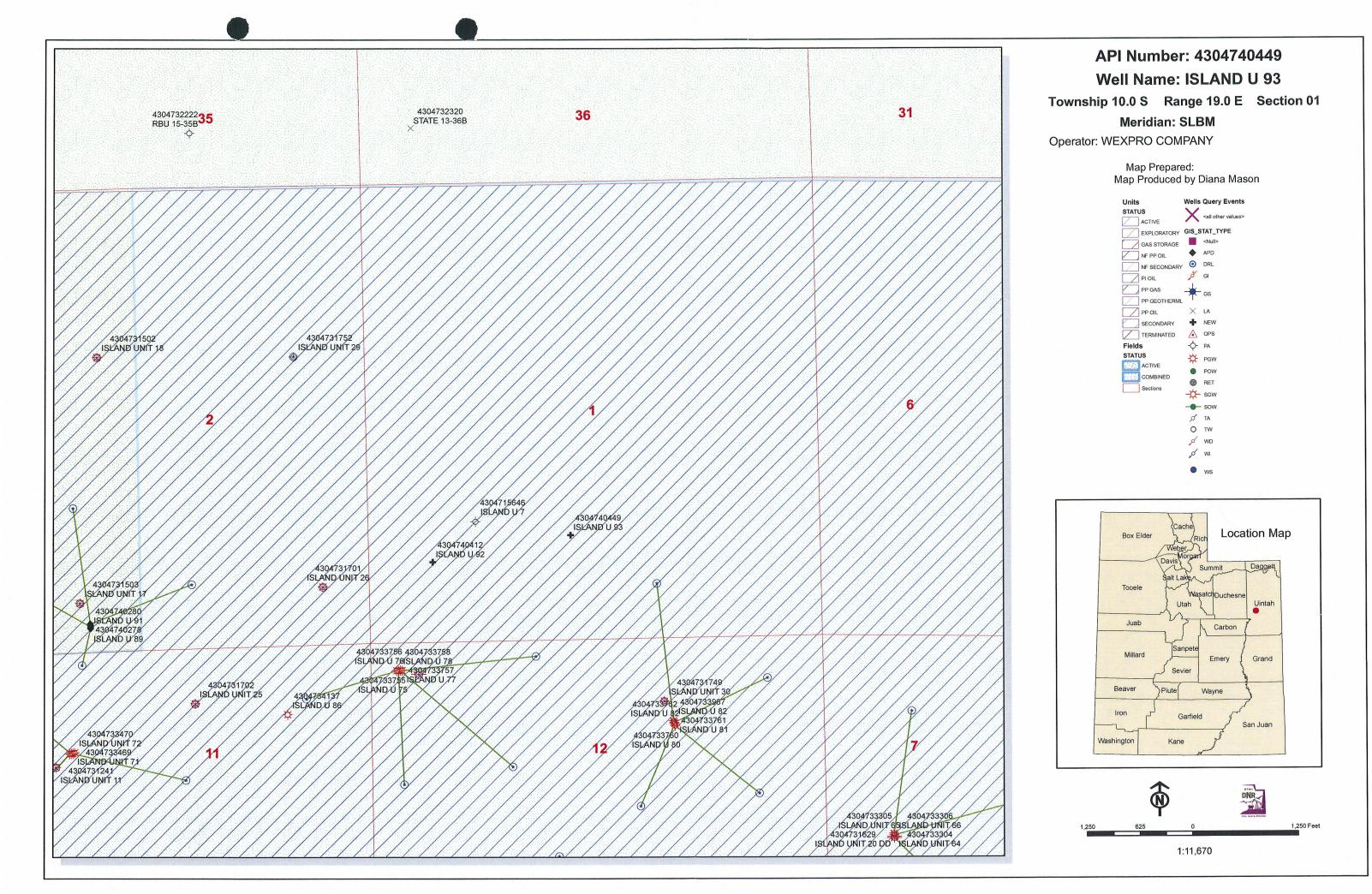








APD RECEIVED: 12/08/2008	API NO. ASSIGNED: 43-047-40449
WELL NAME: ISLAND U 93 OPERATOR: WEXPRO COMPANY (N1070) CONTACT: G.T. NIMMO	PHONE NUMBER: 307-922-5600
PROPOSED LOCATION:	INSPECT LOCATN BY: / /
SESW 01 100S 190E	Tech Review Initials Date
SURFACE: 1237 FSL 2362 FWL BOTTOM: 1237 FSL 2362 FWL	Engineering
COUNTY: UINTAH	Geology
LATITUDE: 39.97278 LONGITUDE: -109.7319 UTM SURF EASTINGS: 608294 NORTHINGS: 44252	Surface
FIELD NAME: NATURAL BUTTES (630 LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-4481 SURFACE OWNER: 1 - Federal	PROPOSED FORMATION: MVRD COALBED METHANE WELL? NO
Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. 965002976) Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-10610) RDCC Review (Y/N) (Date:) Fee Surf Agreement (Y/N) Intent to Commingle (Y/N)	LOCATION AND SITING: R649-2-3. Unit: ISLAND R649-3-2. GeneralSiting: 460 From Qtr/Qtr & 920' Between WellsR649-3-3. Exception Drilling UnitBoard Cause No:
STIPULATIONS: 1 Lain Op 3- Spany	



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

December 9, 2008

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2008 Plan of Development Island Unit, Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2008 within the Island Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ MesaVerde)

43-047-40449 Island Unit 93 Sec 01 T10S R19E 1237 FSL 2362 FWL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

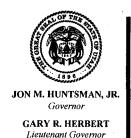
bcc:

File - Island Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:12-9-08



State of Utah **DEPARTMENT OF NATURAL RESOURCES**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

December 22, 2008

Wexpro Company P O Box 458 Rock Springs, WY 82902

Re:

Island Unit 93 Well, 1237' FSL, 2362' FWL, SE SW, Sec. 1, T. 10 South, R. 19 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40449.

Sincerely,

Gil Hunt

Associate Director

pab **Enclosures**

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office



Operator:	Wexpro Company			
Well Name & Number	Island Unit 93			
API Number:	43-047-40449			
Lease:	UTU-4481			
Location: SE SW	Sec. 1 T. 10 South R. 19 East			

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCE		FORM 9
	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-4481		
SUND	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	sals to drill new wells, significantly deepen ugged wells, or to drill horizontal laterals. U		TO 7.UNIT OF CA AGREEMENT NAME: ISLAND
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: ISLAND U 93
2. NAME OF OPERATOR: WEXPRO COMPANY			9. API NUMBER: 43047404490000
3. ADDRESS OF OPERATOR: P.O. Box 458 , Rock Springs,	WY, 82902 307 922-561	PHONE NUMBER: 2 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1237 FSL 2362 FWL QTR/QTR, SECTION, TOWNSHI	TD DANGE MEDIDIAN.		COUNTY: UINTAH
	Township: 10.0S Range: 19.0E Meridian:	S	STATE: UTAH
11.	CK APPROPRIATE BOXES TO INDICA	ΓΕ NATURE OF NOTICE, RE	PORT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTIO	N
	ACIDIZE	ALTER CASING	☐ CASING REPAIR
✓ NOTICE OF INTENT Approximate date work will start: 12/21/2009	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
,,	CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORM	
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN ☐ OPERATOR CHANGE	FRACTURE TREAT PLUG AND ABANDON	☐ NEW CONSTRUCTION ☐ PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
12 DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all per	tinent details including dates o	
The Island Unit #93	APD was originally approved or company requests a renewal of one year.	on 12/22/08 for a per	iod of
			Date: December 21, 2009
			December 21, 2005
			By: Down Hill
NAME (PLEASE PRINT) Paul Jibson	PHONE NUMBER 307 922-5647	TITLE Associate Permit Agent	
SIGNATURE N/A		DATE 12/17/2009	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047404490000

API: 43047404490000 **Well Name:** ISLAND U 93

Location: 1237 FSL 2362 FWL QTR SESW SEC 01 TWNP 100S RNG 190E MER S

Company Permit Issued to: WEXPRO COMPANY

Date Original Permit Issued: 12/22/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

ire revision. Following is a checklist of some items related to the application, which should be verified.
 If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? 🗍 Yes 📵 No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? • Yes • No Utah Division of Oil, Gas and Mining

Signature: Paul Jibson **Date:** 12/17/2009

Title: Associate Permit Agent Representing: WEXPRO COMPANY

Date: December 21, 2009

Bv:



RECEIVED

(August, 2007)

DEC - 5 2008 UNITED STATES



FORM APPROVED OMB NO. 1004-0137 Expires: July 31, 2010

DEPARTMENT OF THE INTERIOR SEP 1 5 2010 BUREAU OF LAND MANAGEMENT

1 5 2010 5. Lease Serial No.

TITTI AAO1

BUREAU OF LAND M	ANA(GEMENT	l.		UTU-448	
APPLICATION FOR PERMIT TO DRILL OR REENTER			6 If Indian, Allottee or Tribe Name			
		ILL OK REBITER	.,	4 2 -	n/a	
lo Tracof World		TAKED.				ent, Name and No.
1a. Type of Work: X DRILL REENTER				ISLAND U		891006935X
1b. Type of Well: Oil Well X Gas Well Other Single Zone X Multiple Zone				8. Lease Nan		
2. Name of Operator				ISLAND		NO. 93
•	(TD, 4 3 TE	7		9. API Well	,	71
WEXPRO COM					PENDIN	1017
3a. Address	3b. Phone No. (include area code)			0. Field and	Pool, or Expl	oratory
P.O. BOX 458, ROCK SPRINGS, WY 82902		307 922-5600	7 922-5600 ISLAND, WASATCH			SATCH
4. Location of well (Report location clearly and In acco	rdance 1	with any State requirements.	*) 1	11. Sec., T., R., M., or Blk. and Survey or Area		
At surface - 1237' FSL 2362' FWL SE SW	Lat.	39.97275 Long. 109.73	- 1		=	
			2550	Sec. 1,	T10S,	R19E S.L.B.&M
At proposed prod. zone SAME					,	
14. Distance in miles and direction from the nearest town	or post	office*	1	2. County or	Parish	13. State
APPROXIMATELY 32 MILES FROM VERNAL, UTAH	I]	UINI		UTAH
15. Distance from proposed*		16. No. of acres in lease	17 Spec	ing Unit dedi		<u> </u>
location to nearest		10. 10. of acres in lease	17. Spac	ang Omi dedi	cated to this v	well
property or lease line, ft.		1,282.52		N/A		
(Also to nearest drlg. unit line, if any)						
18. Distance from proposed location*		19. Proposed Depth		I/ BIA Bond N		
to nearest well, drilling, completed, 1100' applied for, on this lease, ft.	,	0.170	1	wide Bond No. 965010687		
21. Elevations (Show whether DF. RT, GR, etc.)	-			lo. ESB 000183 rt* 23. Estimated duration		
	·		wiii start	25. Estima	ned duranon	
4933' ungraded		Upon Approval			25 days	S
T3 C.11		24. Attachments				
The following, completed in accordance with the requirement	ents of	Onshore Oil and Gas Order I	No. 1 shal	l be attached t	to this form:	
1. Well plat certified by a registered surveyor.		A Rond to account the			11	
A Drilling Plan.		4. Bond to cover the item 20 above).	e operano	ns uniess cove	ered by existi	ng bond on file(se
3. A Surface Use Plan (if the location is on National Fore	est Syste		ation.			
SUPO shall be filed with the appropriate Forest Service	e Office). 6. Such other site sp		ormation and/	or plans as n	nay he required by
11.17		authorized officer			r	and so required by
25. Signature	Name ((Printed/Typed)	-	Tì	Date	
U/Vinno			T. NIM		091711)
Title				— , II	THON	
		RATIONS MANAGE		**		
Approved By/(Signature)	Name (Jarnes H. S _l	parc	ier	Date CFP	1 7 2010
11tle / Acting Assistant Field Manager	Office				المالد	20 45
Lands & Mineral Resources		VERNAL FIELD			RECE	IVED
Application approval does not warrant or certify that the applicant holds legal	or equitabl	le title to those rights in the subject le	ase which w	ould entitle the ap	plicant to	TEU
conduct operations thereon. Conditions of approval, if any, are attached.					NOV 0 3	3 2010
Occurrence of approval, it any, are anaelieu.						2010

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to **DIVIDIT**, **GASTLYMINIO**States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**

VERNAL, UT 84078

(435) 781-440(



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Wexpro Company	Location:	SESW, Sec. 1, T10S, R19E
Well No:	Island Unit 93	Lease No:	UTU-4481
API No:	43-047-40449	Agreement:	Island Unit

OFFICE NUMBER:

170 South 500 East

(435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 8 Well: Island Unit 93 10/28/2010

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active gilsonite mining operation within 2 miles of the well location, operator shall notify the gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

Line the reserve pit with 16 milliner or greater, with felt or hay, straw, mulch bedding. If any of the latter bedding materials are used, it will be certified as weed free and documentation submitted to the BLM prior to usage.

1. **Invasive/Noxious Weeds:** The operator will be responsible for treatment and control of invasive/ noxious weeds. <u>Prior to any treatment on BLM administered lands</u>, a <u>Pesticide Use Proposal will be submitted to the Vernal Field Office for approval.</u>

3. Reclamation:

All reclamation activities will adhere to the new Wexpro Company "Standard Reclamation Plan", approved by BLM Vernal Field Office on October 7, 2009.

Seed mix – Interim Reclamation:

Common name	Latin name	lbs/acre	Recommended seed planting depth (inches)
Needle & thread grass	Hesperostipa comata	3	12 - 3
Squirrel tail grass	Elymus elymoides	4	Y4-1/2
Indian rice grass	Achnatherum hymenoides	3	1.5 - 3
Hycrest crested wheat grass (hybrid)	Agropyron cristayum/Agropyron desertorum hybrid	2	1/4 - 3/4
Forage kochia	Kochia prostrata	0.25	1/16

Seed mix – Final Reclamation:

Common name	Latin name	lbs/acre	Recommended seed planting depth (inches)
greasewood	Sarcobatus vermiculatus	2	Y4-1/2
shadscale	Atriplex confertifolia	3	1/2 - 3/4
rabbit brush	Chryothamnus nauseosus	3	1/2 - 1
Squirrel tail grass	Elymus elymoides	4	Y4-1/2
Indian rice grass	Achnatherum hymenoides	3	1.5 - 3
Needle & thread grass	Hesperostipa comata	3	Y2 - 3
Gardner saltbush	Atriplex gardneri	0.5	1/4 - 3/4

Page 4 of 8 Well: Island Unit 93 10/28/2010

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Surface casing cement shall be brought to surface.
- Production casing cement shall be brought 200' up and into the surface casing.
- Conductor casing shall be set into competent formation.
- A Gamma Ray well Log shall be run from the well Total Depth to the surface. A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

Page 5 of 8 Well: Island Unit 93 10/28/2010

- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
 encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
 Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 6 of 8 Well: Island Unit 93 10/28/2010

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - o Operator name, address, and telephone number.
 - O Well name and number.
 - o Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - O Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and/or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

Page 7 of 8 Well: Island Unit 93 10/28/2010

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the

Page 8 of 8 Well: Island Unit 93 10/28/2010

end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

• Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES		FORM 9		
	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-4481				
SUNDF	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do not use this form for proposition-hole depth, reenter plu DRILL form for such proposals.		7.UNIT or CA AGREEMENT NAME: ISLAND			
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: ISLAND U 93		
2. NAME OF OPERATOR: WEXPRO COMPANY			9. API NUMBER: 43047404490000		
3. ADDRESS OF OPERATOR: P.O. Box 458 , Rock Springs,		NUMBER:	9. FIELD and POOL or WILDCAT: NATURAL BUTTES		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1237 FSL 2362 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHI	IP, RANGE, MERIDIAN: Township: 10.0S Range: 19.0E Meridian: S		STATE: UTAH		
11. CHE	CK APPROPRIATE BOXES TO INDICATE I	NATURE OF NOTICE, REPORT,	OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
✓ NOTICE OF INTENT	ACIDIZE	ALTER CASING	☐ CASING REPAIR		
Approximate date work will start: 12/20/2010	☐ CHANGE TO PREVIOUS PLANS☐ ☐ CHANGE WELL STATUS☐	CHANGE TUBING COMMINGLE PRODUCING FORMATIONS	☐ CHANGE WELL NAME ☐ CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN ☐	FRACTURE TREAT	□ NEW CONSTRUCTION		
Date of Work Completion.	☐ OPERATOR CHANGE ☐	PLUG AND ABANDON	☐ PLUG BACK		
SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME ☐ □ REPERFORATE CURRENT FORMATION ☐	RECLAMATION OF WELL SITE SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON		
Date of Spuu.	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL		
☐ DRILLING REPORT		SI TA STATUS EXTENSION	✓ APD EXTENSION		
Report Date:	☐ WILDCAT WELL DETERMINATION ☐	OTHER	OTHER:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Island Unit #93 APD was originally approved on 12/22/2008 for a period of one year. An APD Renewal for an additional one year was approved on 12/21/2009. At this time Wexpro Company is requesting an additional one year APD Renewal. Date: 12/23/2010 By:					
NAME (PLEASE PRINT) Paul Jibson	PHONE NUMBER 307 922-5647	TITLE Permit Agent			
SIGNATURE N/A		DATE 12/15/2010			



Sig

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047404490000

API: 43047404490000 **Well Name:** ISLAND U 93

Location: 1237 FSL 2362 FWL QTR SESW SEC 01 TWNP 100S RNG 190E MER S

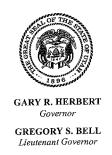
Company Permit Issued to: WEXPRO COMPANY

Date Original Permit Issued: 12/22/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

uire revi	sion. Following is a checklis	st of some items related to the	e applićation, whicl	n should be verified.
	nted on private land, has th ed? 🔵 Yes 📵 No	e ownership changed, if so, h	as the surface agre	ement been
	any wells been drilled in th requirements for this locat	e vicinity of the proposed wel ion? 🔵 Yes 📵 No	l which would affed	t the spacing or
	nere been any unit or other s proposed well?	agreements put in place that No	could affect the pe	rmitting or operation
	there been any changes to the proposed location?	the access route including ow Yes No	nership, or rightof	· way, which could
• Has th	ne approved source of wate	er for drilling changed? 🔵 Y	es 📵 No	
		anges to the surface location discussed at the onsite evalua		ich will require a No
• Is bor	nding still in place, which co	overs this proposed well? 🌘	Yes 📄 No Utal	roved by the n Division of as and Mining
nature:	Paul Jibson Date	: 12/15/2010		12/23/2010
Title:	Permit Agent Representing	: WEXPRO COMPANY	Date:	12/23/2010
			Bv: 200	sejlll

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State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

March 14, 2012

Wexpro Company P.O. Box 458 Rock Springs, WY 82902

Re:

APD Rescinded - Island U 93, Sec. 1, T.10S, R.19E,

Uintah County, Utah API No. 43-047-40449

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 22, 2008. On December 21, 2009 and December 23, 2010 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 14, 2012.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File

Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT Green River District Vernal Field Office 170 South 500 East Vernal, UT 84078

Jan 24 2014



http://www.blm.gov/ut/st/en/fo/vernal.html

IN REPLY REFER TO: 3160 (UTG011)

Paul Jibson Wexpro Company PO Box 458 Rock Springs, WY 82902

43 047 40449

Re:

Notice of Expiration Well No. Island Unit #93 SESW, Sec. 1, T10S, R19E Uintah County, Utah Lease No. UTU-4481

Island Unit

RECEIVEL)
FEB 2 12014
DIV. OF OIL, GAS & MINING

Dear Paul:

The Application for Permit to Drill (APD) for the above-referenced well was approved on September 17, 2010. No extension of the original APD was requested. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka Assistant Field Manager Lands & Mineral Resources

CC:

UDOGM

bcc:

Well File

I&E Asst.